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No: I-31-10

Box 1150,
Dunnville, Ontario.
January 17, 1964.

The Chairman and Members,
Ontario Committee on Taxation,
Parliament Buildings,
Toronto, Ontario.

Gentlemen:

It had not been my intention to submit a brief to your Committee, however, after learning of the submission made by the Inter-Church Committee on Legal Affairs requestinggreater exemptions from taxation for church properties and other places of worship, I could no longer restrain from a least writing this letter. Perhaps it could be considered an informal brief.

It is my confirmed opinion that most, if not all, the exemptions provided by The Assessment Act such as places of worship, certain schools and universities, seminaries of learning, public hospitals, land of incorporated charitable institutions, lands of public libraries and children's aid societies, and some others now granted exemption including lands or property belonging to Canada or to any Province or to any County should not be exempt from taxation in the municipality in which they are situated. I believe that by such exemptions, an undue burden is placed on the ratepayers in the municipality in which such lands are situated. Such exemptions, in my opinion, contribute to inequalities by over-burdening some and subsidizing others.

In this County, the County of Haldimand, the Village of Cayuga must provide all the municipal services in respect to the Courthouse, the County Jail, and the Registry Office, yet the Village of Cayuga has less than 3% of the county assessment. A similar situation exists in this community, where the Town of Dunnville is providing all municipal services to the County of Haldimand Home For the Aged and the Dunnville Haldimand District High School. About 22 % of the residents in the home are from Dunnville, while only 4.5% of the students attending the school are from this municipality. The situation is similar in two church groups in the town whereby a large percentage of the parishioners do not reside within the town limits and therefore do not contribute, through their municipal taxes toward the services provided these church properties. The same is true in respect to the Roman Catholic Separate School.

These conditions, of course, are not unique to the Town of Dunnville or to the County of Haldimand.

Another example of inequalities by exemption. A religious organization, unknown to the municipality, purchased considerable valuable lake frontage and have established, after some litigation, a seminary of learning thereby gaining exemption from taxation. I am quite certain that none of the members of this religious cult reside in the township in which this land is situate and yet the ratepayers in that township are not only losing revenue from taxation, but are providing municipal services at the expense of the ratepayers. This certainly deprives the township of tax revenue and provides, tax free, vacation resort-like facilities for many people who do not contribute toward the cost of the services rendered by the municipality. Many more similar cases could be quoted.

The Federal and Provincial Governments, although not accepting responsibility for direct municipal taxation have apparently realized the inequalities created by such exemptions and have rectified the situation, as far as they are concerned, by paying grants in lieu of taxation.

** I would also refer you to a very thought-provoking article by Mr. Eric Hardy, which appeared in MacLean's Magazine about four years ago. I am enclosinga copy and do hope this does not put Mr. Hardy "on the spot".

I would therefore, although just one small voice in the wilderness, with all humility, sincerely request the members of the Committee to give this matter due and earnest consideration before further tax exemptions are recommended.

Yours very truly,

Signature,
Frank Scholfield,
110 Cross St. E.,
Dunnville, Ont.

** If you wish to see this article it is available in the Central File.